

## Message Text

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ACTION EB-07

INFO OCT-01 EUR-12 IO-13 ISO-00 FEA-01 AGR-05 CEA-01

CIAE-00 COME-00 DODE-00 FRB-03 H-02 INR-07 INT-05

L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15

STR-04 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01

AF-08 ARA-06 EA-07 NEA-10 OIC-02 /139 W

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R 100901Z SEP 76

FM USMISSION GENEVA

TO SECSTATE WASHDC 2289

INFO AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION OECD PARIS

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E.O. 11652: N/A

TAGS: GATT, ETRD, IT

SUBJECT: GATT EXAMINATION OF ITALIAN MONETARY DEPOSIT MEASURES

REF: A. GENEVA 6840; B. STATE 211631; C. ROME 11851

1. WE HAVE URGED ITALIAN MISSION GENEVA (BIASI) TO COOPERATE IN REFERRING SUBJECT MEASURES TO GATT BALANCE OF PAYMENTS COMMITTEE FOR EXAMINATION. BIASI SAID HE HAD NO NEW INSTRUCTIONS FROM ROME BUT HIS CURRENT INSTRUCTIONS ARE THAT BOP COMMITTEE EXAMINATION IS NOT APPROPRIATE. HE WENT ON TO ADD PERSONAL VIEW THAT WHILE MONETARY MEASURES SHOULD NOT BE EXAMINED BY GATT, HE SUSPECTED THAT ITALY WOULD NOT OBJECT TO A WORKING PARTY. AGAIN SPEAKING PERSONALLY, BIASI SAID ITALY WOULD PROBABLY COOPERATE IN WP EXAMINATION IN SPIRIT OF COOPERATION WITH GATT AND IN LIGHT OF GATT ARTICLE XV. THIS WAS COOPERATIVE GESTURE ONLY, AS MEASURES ARE PURELY MONETARY AND HAVE BEEN AUTHORIZED BY IMF.

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2. WE SAID ITALIAN MEASURES CERTAINLY HAVE IMPACT ON TRADE; BIASI ARGUED THAT EVERYTHING DOES, EVEN INTEREST RATES. WE SAID ITALIAN DEPOSITS CLEARLY HAVE MORE DIRECT TRADE IMPACT THAN INTEREST RATES, AND NOTED DESIRABILITY OF HAVING BOP COMMITTEE EXAMINE THOSE MEASURES WHICH HAVE BOP INTENT. BIASI PROMISED TO TOUCH BASE WITH ROME AGAIN, BUT HE LEFT LITTLE HOPE THAT ITALY MIGHT SUBMIT TO ANYTHING OTHER THAN A SPECIAL WP. HE CITED UK, NEW ZEALAND, AND 1974 ITALIAN PRECEDENTS.

3. COMMENT: EVEN THE PROSPECT THAT ITALY MAY--IF BIASI'S IMPRESSION IS CORRECT--SUBMIT TO WP IS CONSIDERABLE IMPROVEMENT OVER SITUATION OF LAST SUMMER, WHEN ITALY RESISTED ALL GATT EXAMINATION OF DEPOSITS BEYOND BRIEF COUNCIL DISCUSSION. SUGGEST U.S. MAINTAIN POSITION AT SEPTEMBER 17 GATT COUNCIL THAT ALL BOP-RELATED RESTRICTIONS HAVEING TRADE IMPACT SHOULD GO TO BOP COMMITTEE, THEN, IF NECESSARY, ACQUIESCE TO TIMELY WP. CATTO

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRADE, MEETINGS, BANK DEPOSITS, LIQUIDITY (MONETARY), ECONOMIC PROGRAMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 10 SEP 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ShawDG  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976GENEVA07108  
**Document Source:** CORE  
**Document Unique ID:** 00  
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**Film Number:** D760342-0315  
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**Line Count:** 79  
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**Office:** ACTION EB  
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**Original Previous Handling Restrictions:** n/a  
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**To:** STATE  
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